



ASPIS BANK

Full Year 2008 Results

April 2009

ASPIS BANK Snapshot

- Total Assets: EUR 2.6 billion, down 11% yoy
- Net Loans: EUR 2.1 billion, down 4% yoy
- Asset reduction mainly driven by strategic decision to reduce large corporate loans (down 23%) and a slowdown of household demand (household lending at same levels as in 2007)
- Deposits: EUR 2 billion, down 10% yoy
- Group Equity: EUR 163 million, down 28% yoy, due to losses
- Net Loss: EUR 48.1 million, affected by adverse market conditions and endogenous non-recurring factors
- Capital adequacy maintained at satisfactory levels: Total Capital Adequacy Ratio 12.10%, Tier I Ratio: 8.11%
- Liquidity managed well considering market conditions at the end of 2008: Loan-to-Deposit ratio at 111%

H2 2008: The beginning of a challenging period for the global markets

- Global economy facing depression for the first time since 1929
- Side effects of US sub-prime debacle and consequent closure of securitization market spilled over into the global financial system
- Dislocation of money markets in Q4 2008: Banks had no access to any source of funding other than customer deposits
- Money markets have begun to function again since January 2009
- Greek economy and financial system:
 - Positive growth in 2008 despite global economic slowdown
 - Growth prospects challenged by high deficits and debt
 - Solid banking system: limited exposure to “toxic” structured products
 - Secondary effects of the disfunctional money markets and credit crunch to credit expansion: slowdown evident since Q4 2008 due to uncertainty and financial distress of households and depressed business sentiment

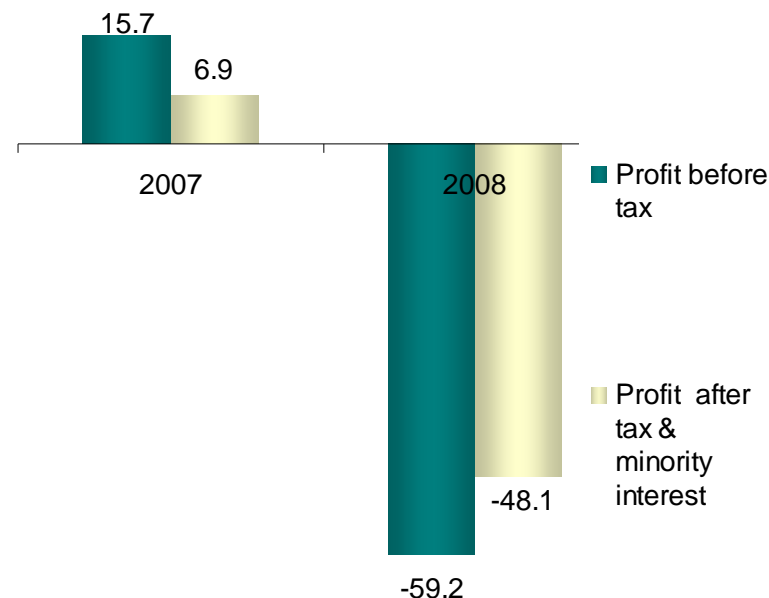
Aspis' Performance affected by market conditions and non-recurring factors

Bottom line results were materially affected by the following key factors:

- Exogenous factors:
 - financial distress of households and enterprises
 - credit expansion slowdown
 - dislocation of interbank markets
 - “bear” capital markets

that led to:

- Deceleration of interest income growth: 13% vs 24% in FY2007
- Increased cost of servicing of hybrid and subordinated funds raised: EUR 16 million, up 10%
- Increased cost of interbank borrowing: EUR 7 million, up 141%
- Increased cost of attracting deposits due to intense competition from large Greek Banks at the peak of the crisis: EUR 96 million, up 43%
- Losses from financial transactions: EUR 2.6 million
- Lower commission income: down by EUR 5 million



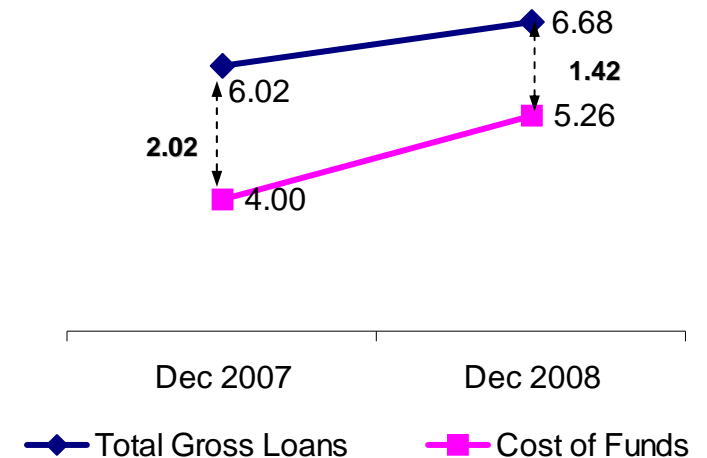
Aspis' Performance affected by market conditions and non-recurring factors (cont'd)

- Endogenous and non-recurring factors:
 - Increased reengineering cost due to change of management and strategy and relevant provisions
 - Increased loan loss and restructuring provisions: a strategic decision to immunize the Bank against the ongoing crisis and to adjust to Basel II requirements

that led to:

- Thinner net interest margin due to overexposure to lower yielding-longer duration mortgage lending (49% of loan portfolio) and thin spreads of corporate lending (14% of loan portfolio)
- Increased loan loss provisions (EUR 18.25 million vs EUR 3.4 million in 2007) and restructuring provisions (EUR 4.9 million)
- High operating expenses mainly due to compensation paid to staff that left (EUR 9.5 million), and extraordinary expenses relating to the strengthening of the Bank's balance sheet (EUR 6 million)

Loan Avg interest yield over cost of funds



Key Actions to Manage Risks & Improve Profitability during 2008 & Q109

Liquidity

- RMBS of EUR 424 million completed in February 2009; FRNs retained of which EUR 377 million are ECB repo eligible
- Full use of the Greek State's plan for the support of the liquidity of the financial system
- Strengthening and greater granularity of the deposit base: emphasis on attracting deposits up to EUR 200,000 to limit exposure to high-cost time deposits and eliminate concentration on institutional customers
- Recovery of deposits withdrawn at the peak of the financial crisis, in December 2008, through targeted actions: at the end of March 2009 deposits increased by EUR 272 million or 14% compared to December 2008.

Capital Adequacy

- Despite losses, capital adequacy is maintained at satisfactory levels, with the consolidated total capital ratio at 12.1% and the Tier I ratio at 8.1% (13.1% and 7.3% respectively at a bank level)
- The approved by the EGM as at 23.01.2009 share capital increase up to EUR 90 million via the issue of preference shares which will be acquired by the Greek will further enhance capital adequacy; consolidated CAD is estimated at 17.7% and Tier I ratio at 12.3%

Key Actions to Manage Risks & Improve Profitability during 2008 & Q109 (cont'd)

Asset Quality

- Review of provisioning policy: accumulated loan loss provisions increased in a timely and effective manner by 46% to EUR 57 million to strengthen the balance sheet (2.6% of gross loans and advances vs 1.7% in 2007);
- Optimization of credit risk management: centralization and restructuring of credit procedures
 - Centralization of all approval authorities
 - Establishment of a special Unit to oversee collateralized cheques
 - Establishment of a special monitoring Committee for loans in arrears
- New software application to be launched within 2009 to optimize recovery procedures

Operating cost reduction

- Relocation of administrative units and branches to owned or lower-cost sites
- Minimal recruitment and optimum use of existing human resources to cover operational needs ; streamline back office work though new upgraded systems
- Renegotiation of vendor agreements
- Cutting of non-essential general expenses; marketing expenses will increase to a certain extent only to facilitate expansion and shift of product mix

Key Actions to Manage Risks & Improve Profitability during 2008 & Q109 (cont'd)



New Business Model focused on Retail Banking

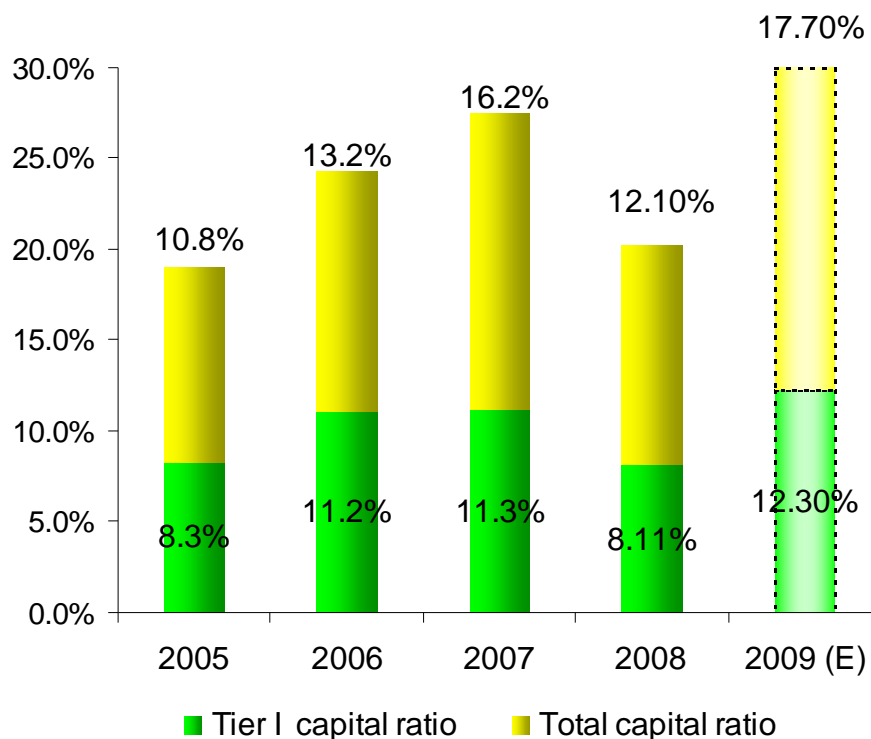
- Refocusing of business strategy and implementation of a more targeted business model
- Product lines, operations, and powers of authorities clearly distinguished between business lines
- Branches focus on households
- Business Centers focus on Small and Medium Sized Enterprises (first Business Center opened at the end of 2008)
- Emphasis in Household and SME lending
- Limit exposure to Large Corporates and Shipping; review / reduction of relevant credit lines
- Newly established unit, Aspis Premium Banking, focusing on affluent customers to provide discretionary management services
- Network expansion in February 2009 by 1 new branch, to a total of 73 branches across 33 cities in Greece

Performance Review

Solid Capital Base

- Losses have affected capital
 - Regulatory capital at EUR 224 million down by 25% yoy
 - Group equity at EUR 163 million, down 28% yoy
- Prudent capital management: targeted actions towards limitation of credit expansion resulted in maintenance of capital ratios at satisfactory levels
 - Total capital ratio YE08: 12.10%
 - Tier I capital ratio YE08: 8.11%
- Greek State capital injection of EUR 90 million will further enhance capital ratios and is estimated to allow for credit expansion by 50% over a period of 2 years
 - Total capital ratio: 17.7% (E)
 - Tier I ratio: 12.3% (E)

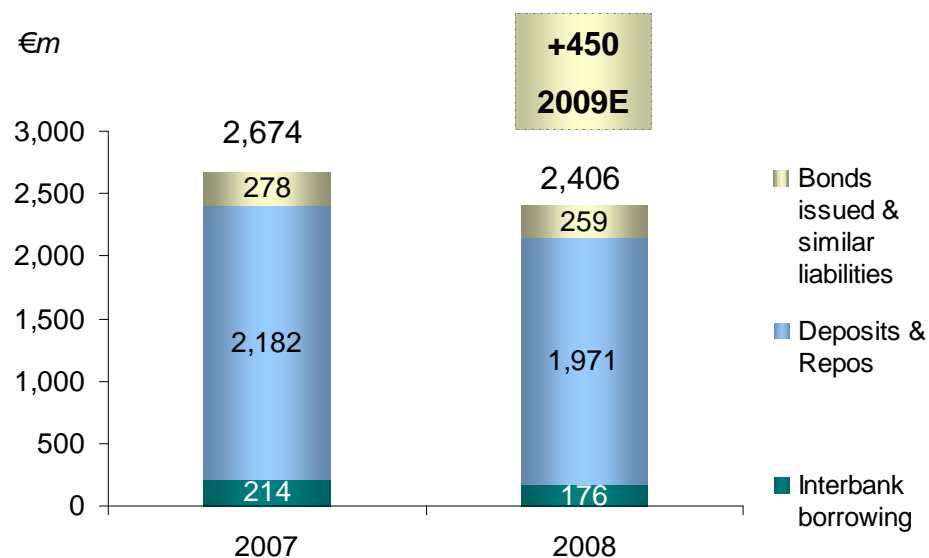
Capital Ratios



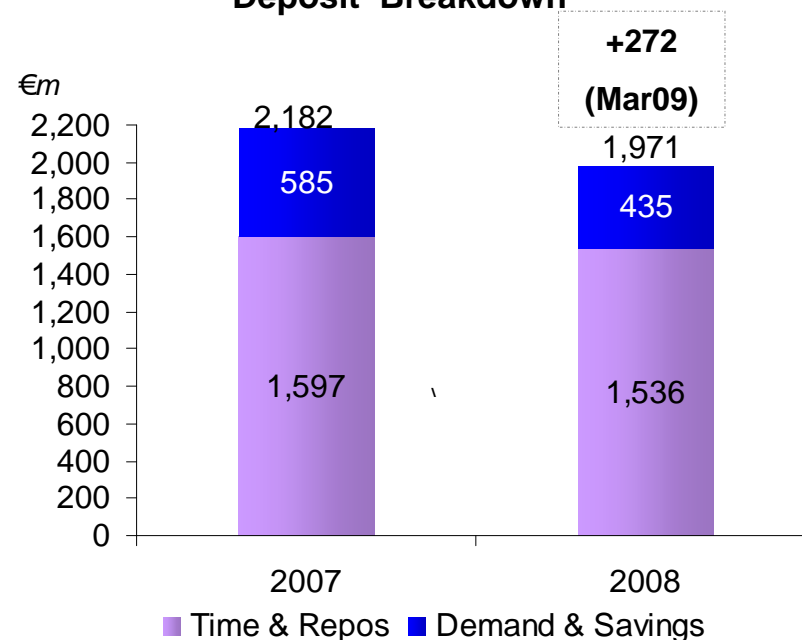
Diversified Funding Sources and Liquidity

- Retail funding vs Wholesale Funding: 82% vs 18%
- Total Deposits: EUR 2 bn, down by 10% due to deposits migration towards larger Banks in H2 2008
- Loans-to-Deposits ratio at 111%, satisfactory levels considering market conditions
- Recovery already evident in early 2009
 - Most of “lost” deposits recovered in first 3 months of 2009: up 14% ytd
 - Wholesale funding to increase by approx. EUR 450 million (Greek State support plan plus RMBS)
 - Preservation of liquidity ratio at 20% minimum

Funding Sources Breakdown



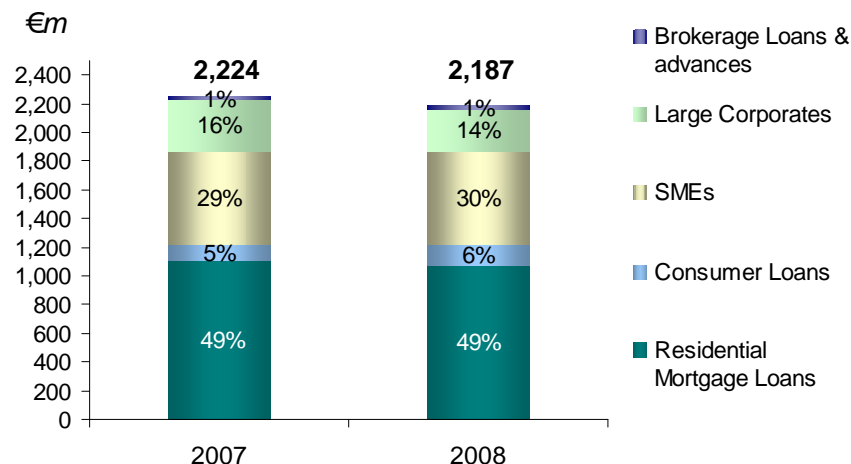
Deposit Breakdown



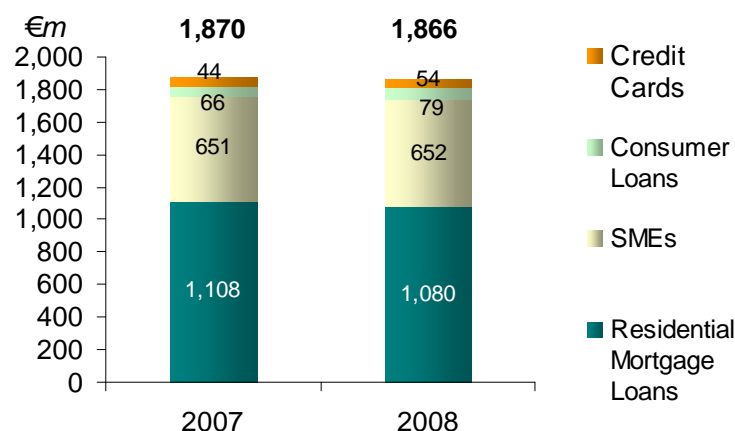
Management of Credit Risk -Loan Book

- A balanced portfolio: 56% households vs 44% business loans
- Limited business investment, construction activity and uncertainty experienced by households led to reduced loan demand
- Measures taken to defer credit expansion temporarily and confront adverse market conditions
- As a result, gross loans decreased by 3% yoy to EUR 2.2 bn
- Retail Banking: continues to drive overall growth; accounted for 85% of gross loans and kept at 2007 levels
- Emphasis on SME and Consumer lending: 36% of loan book as at YE2008
- Exposure to high risk-thin margin Large Corporates and Shipping was limited to 14% of loan book
- Defensive asset mix: total exposure to construction/real estate, tourism and shipping 4,8% of loan portfolio; (2.4% shipping, 2.2% construction/real estate, 0.2% tourism)

Gross Loans Breakdown



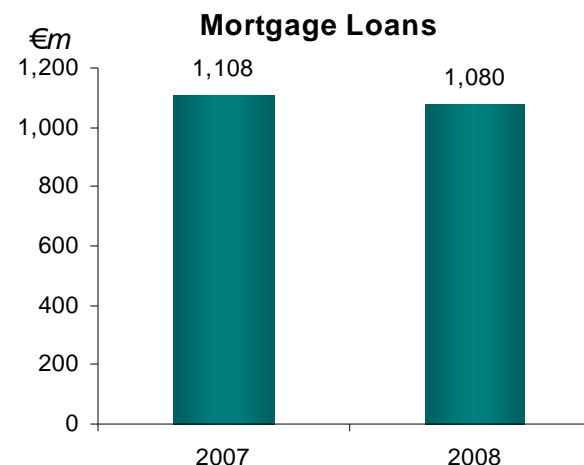
Retail Banking Loans



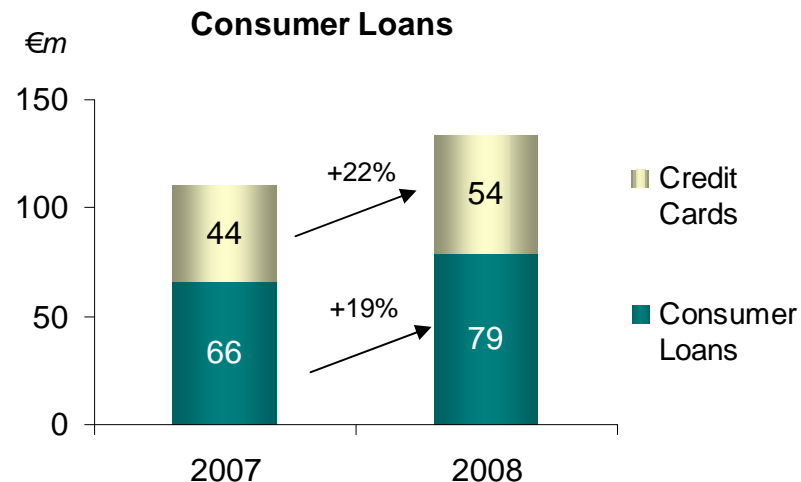
Household Lending

- Loans to Households at EUR 1.2 bn, 56% of loan book
- Emphasis in consumer lending: accounted for 6% of loan book, up 20% yoy and gaining market share
- Intensive consumer product cross selling
- New consumer loan disbursements up 20% yoy to EUR 36 million
- New credit cards up 28% yoy
- Broadened credit card range: Master Card, Co-branded and Affinity cards
- Residential prime mortgage loans represent 49% of loan book, EUR 1.1 bn; used mainly for cross selling purposes
- Conservative lending criteria: loans with avg LTV lower than 75% at 99% of residential loan portfolio
- Nearly zero risk subsidized loans account for 30% of total mortgage loans
- Market share in mortgage lending : 1.4% approx.

New Mortgage Loan Disbursements EUR 112 million

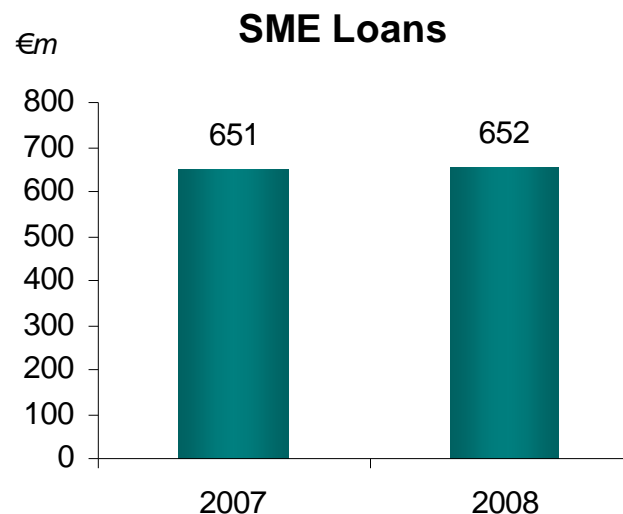


New Consumer Loan Disbursements EUR 36 million



Commercial Lending

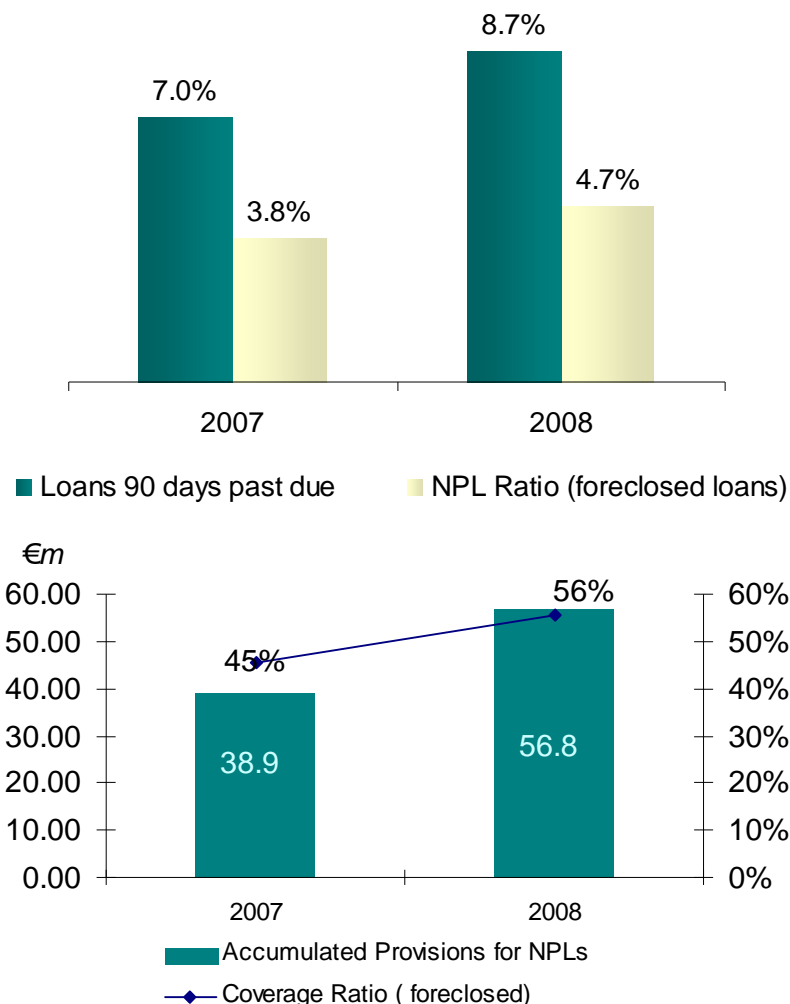
- SME loans represent 30% of loan book
- SME loans grew marginally to EUR 652 million vs EUR 651 million in YE2007 due to decelerating business investment
- Participation of Aspis in the Small & Very Small Business Guarantee Fund (TEMPME) program
- Newly established versatile product line for very small, small and medium size enterprises
- Centralization of approval procedures and streamlining of back office work
- Specialized Business Centers to service and provide a full range of products designed to meet the needs of small and medium size enterprises



Management of Credit Risk -Asset Quality

- Credit risk: main source of risk
- Zero exposure to market risk and emerging countries' risk
- Aspis' credit risk profile benefits from sizeable low risk mortgage loan portfolio, 1/3 of which is state-subsidized
- Loan book is well collateralized:
 - Loans to households: 140%
 - Business Loans: 157%
- NPLs (foreclosed loans): 4.7% of gross loans vs 3.8% in YE 2007 due to deteriorating economic environment
- Loans over 90 days past due at 8.7% of gross loans vs 7% in YE 2007
- Increased loan loss provisions to immunize Aspis against credit risk: cumulative provisions at 2.6% of gross loans vs 1.7% in YE2007

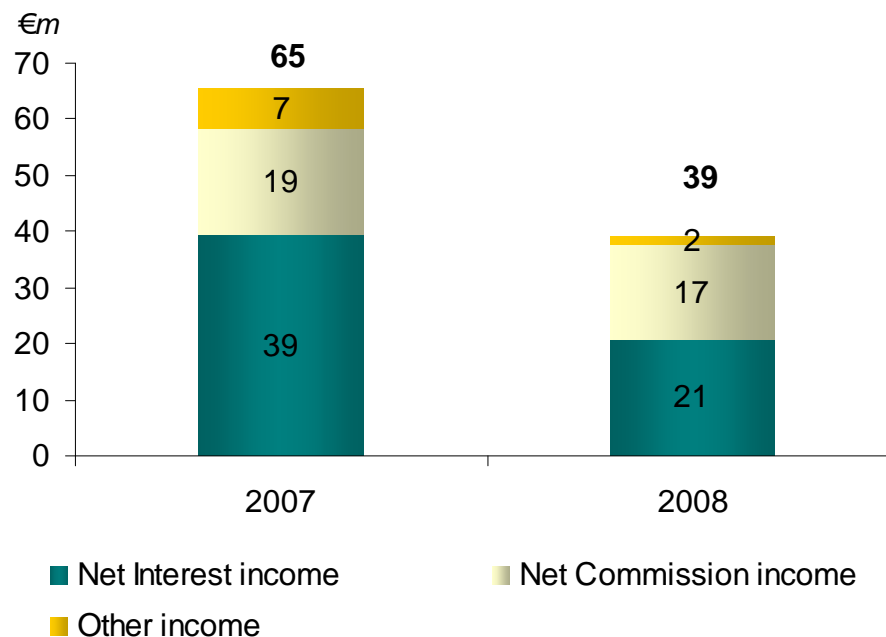
Loans in Arrears -NPLs



Business Model Focused on Retail Banking

- Retail Banking drives overall growth: 87% of total assets; generated 54% of operating income
- Operating income down 40% to EUR 39 million due to increased funding cost
- Retail banking business growth led to gross interest revenue increase by 13% to EUR 143 million
- Net commission income down 12% yoy, driven mainly by reduced mortgage lending activity
- Other income down to EUR 1.6 million mainly due to losses from financial transactions
- Most of the one-off restructuring cost and compensations allocated to the Retail Banking business line

Retail Banking Operating Income



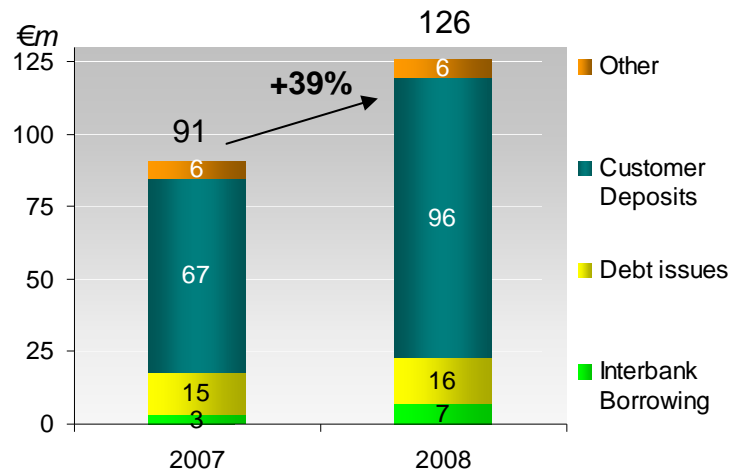
Corporate Banking and Investment Services

- Strategic deviation from high risk –low yielding loans to large corporates and shipping since H2 2008, retain existing accounts; funds channeled to retail business
- Corporate Banking loans account for 14% of loan book, down 15% yoy driven by reduction of loans to large corporates in H2 2008 (down 23% yoy); Leasing balances up 4% yoy
- Corporate Banking generated 39% of operating income, up 39% yoy driven by increased interest yields of corporate loans
- Asset Management and Brokerage services are complementary to core banking activities; offered through our subsidiary ASPIS INTERNATIONAL MFMC and Brokerage Dept respectively
- Investment services generated 8% of operating income: down 41% to EUR 6 million driven by reduced asset management and stock brokerage commissions
- Despite negative returns, Mutual Fund and Stock Brokerage business gained market share
 - Mutual Funds: 0.56% vs 0.47%
 - Stock Brokerage: 0.44% vs 0.36%

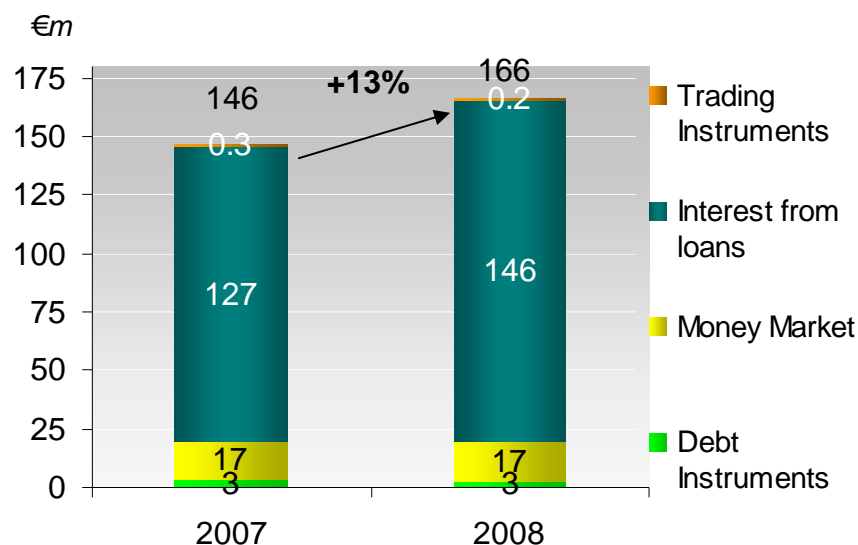
Interest Income

- Net interest income remains the main revenue source (55% of total operating income); down by 28% yoy
- Loan interest revenue: 88% of gross interest income; up 16% yoy
- Interest revenue increase by 13% yoy cancelled out by a 41% yoy funding cost increase
- Interest expenses increased by 39% driven mainly by retail funding increase: customer deposit expenses up 43% (77% of interest expenses)
- High dependence on retail funding and mortgage lending with relatively longer average duration led Aspis to fund its business through high-cost time deposits and narrowed net interest margin
- Overall benefits from the new pricing policy as of Q4 2008 and re-focusing of business strategy are yet to emerge

Interest Expense Breakdown

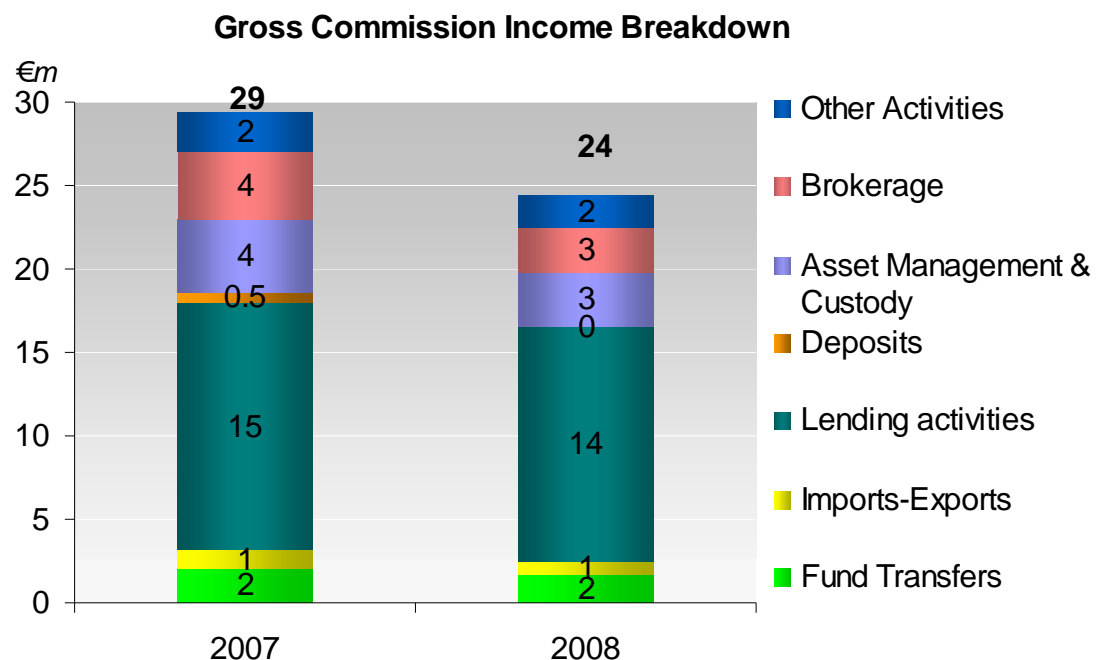


Gross Interest Income Breakdown



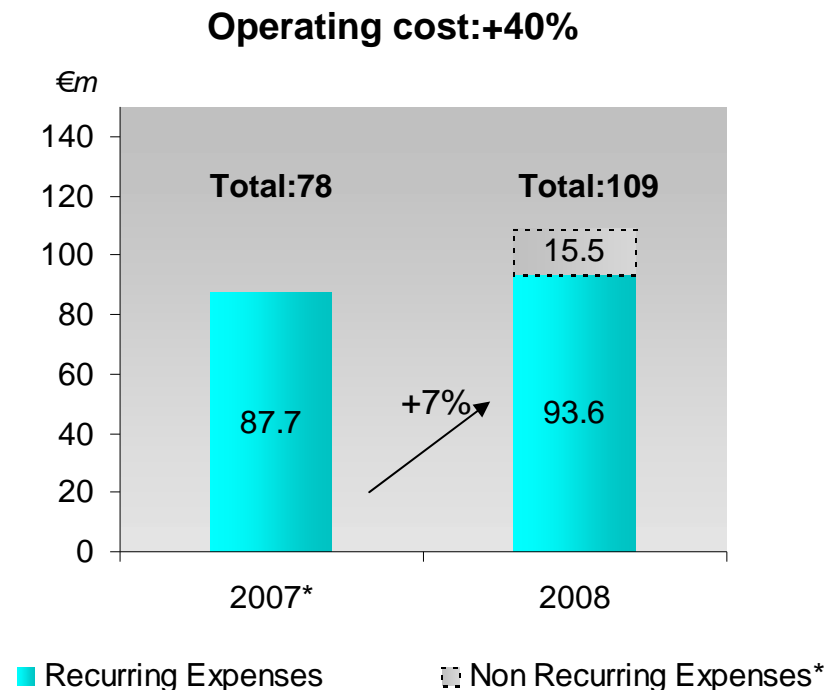
Commission Income

- Net commission income down by 18% yoy; 33% of total operating income
- Driven by reduced activity in asset management and stock brokerage sectors: down 30% yoy
- Loan commission income down 5% mainly due to overall business slowdown
- Auxiliary banking operations (fund transfers and trade finance) generate 10% of gross commission income: down 22% yoy



Operating Expenses

- Operating expenses increased by 40% yoy (EUR 109 million vs EUR 78 million in FY 2007) mainly due to one-off compensation of EUR 9.5 million paid to staff that left and extraordinary expenses of EUR 6 million
- General administrative expenses up by 27% to EUR 40 million
- Personnel expenses up by 54% to EUR 56 million
- Depreciation increased by 26% to EUR 12 million mainly due to increased cost of the upgraded IT systems
- Continuing cost cutting efforts include streamlining of administrative processes and rationalization of rent expenses and vendor agreements
- Cost/avg Assets at 3.9% vs 2.9% in 2007
- Excluding one-off expenses, operating cost increased by 7% yoy on a comparable basis*; personnel: -1%, general: +12%, depreciation: +26%



(*) Operating Expenses in 2007 adjusted for software development expenses

Strategic priorities & objectives 2009

Return to a profitable base, preserve liquidity and enhance capital adequacy by means of:

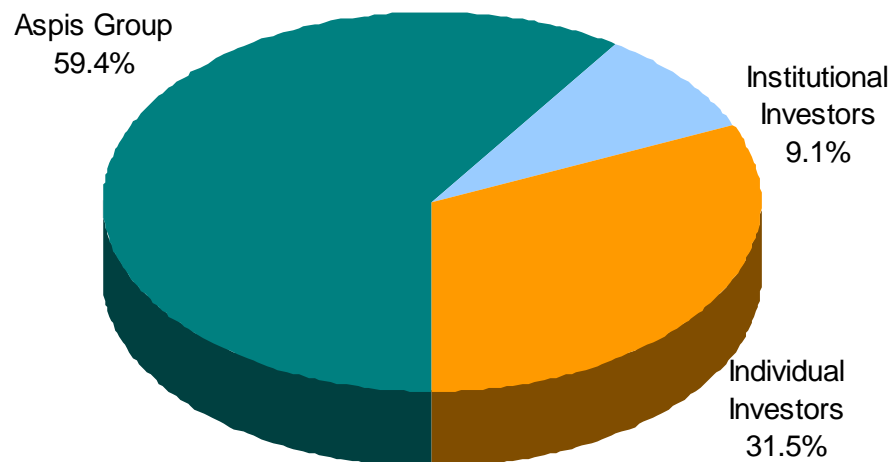
- Revised business model laying further emphasis on growth of more profitable sectors, such as consumer credit and SME financing
- Revised organizational structure and internal procedures to better serve strategic priorities
- Further exploitation of cross-selling opportunities through Aspis Group's insurance networks, targeting 1 million insurance clients as prospective consumer bank clients
- Leverage the existing client base to promote banking products
- Secure greater market presence in Greece by adding 8 retail banking branches and 4 business centers per year
- Continue the implementation of the drastic cost cutting plan
- Preserve liquidity at high levels: 20% minimum
- Make full use of the Greek State plan for the support of the financial system

Appendices

Shareholder Structure

Shareholder Structure

Shareholders at 23.3.2009	%
Aspis Insurance Group	59.4
Institutional Investors	9.1
Individual Investors	31.5
Total	100.0



Consolidated Balance Sheet

<i>million EUR</i>	2007	2008
Cash and balances with the central bank	93	79
Interbank lending	496	261
Gross Loans & Advances to customers	2,253	2,187
Less: Provisions for NPLs	39	57
Loans & advances to customers net of provisions	2,214	2,130
Securities & Derivatives	35	25
Participations in subsidiaries	0	0
Intangible assets	9	8
Tangible assets	53	50
Other assets	44	70
Total Assets	2,944	2,624
Interbank borrowing	214	176
Due to Customers	2,182	1,971
Bonds issued & similar liabilities	278	259
Provisions	4	4
Other liabilities	42	52
Shareholders' Equity	184	122
Total Group Equity	225	163

Consolidated Profit & Loss account

<i>million EUR</i>	2007	2008
Net Interest Income	55.9	40.3
Net Commission Income	28.9	23.7
Income from securities	0.05	0.22
Results from financial transactions	2.4	-2.6
Other operating income	10.1	11.3
Operating income	97.3	73.0
Staff expenses	36.7	56.4
Administrative expenses	31.8	40.5
Fixed asset depreciation	9.7	12.2
Operating expenses	78.2	109.1
Provisions	3.4	23.1
EBT	15.7	-59.2
Less: Taxes	8.5	-11.0
EAT	7.1	-48.3
Less: Minority interests	0.2	-0.2
Profit after tax & minority interest	6.9	-48.1

Ratio Definitions

- **Cost-to-Income or Efficiency Ratio:** (Administrative & staff expenses + Depreciation) / (Net Interest Income + Net Commission Income + Other Operating Income + Income from Securities + Profit/Loss from financial Operations)
- **Avg Interest Yield_t:** $\text{Interest Income}_t / \text{Avg Outstanding Balances}_t \times (36000/31)$
- **Loans-to-Deposits:** Loans before Accumulated Provisions / Total Customer Deposits
- **Cost/Avg Assets:** Operating cost (administrative + staff expenses + depreciation) / ((Total Assets_t + Total Assets_{previous year-end}) / 2) annualized
- **Loans 90 days past due:** Loans in arrears over 90 days including foreclosed loans
- **NPLs :** Foreclosed Loans
- **NPL ratio:** Foreclosed Loans / Loans before Accumulated Provisions
- **Coverage ratio:** Accumulated Provisions / Foreclosed Loans

Disclaimer

This presentation has been prepared solely for informational purposes. Any estimates and/or comments with respect to our objectives and strategies are forward-looking statements based on certain assumptions, judgments and expectations that may differ significantly from actual future events. This presentation and the information contained herein do not constitute or form part of, and should not be construed as, an offer to buy or sell any securities or any related financial instruments.

Contacts

ASPIS BANK

4, Othonos Street, 105 57 Athens, Greece

Internet: **www.aspisbank.gr**

Reuters: AMBr.AT

Bloomberg: ASPT GA <Equity>

Investor Relations

7, Merlin Street, 106 71 Athens, Greece

Tel: +30 210 3680430, 3680433

Fax: +30 210 3610044

e-mail: ir@aspisbank.gr